

PROGRAM OUTLINE	
Overview	MI Neighborhood is a blend of \$60 million in funding as a response to the regional action plans' strategic alignment with the Statewide Housing Plan. This new application streamlines access to three primary activities: Public Amenities, Rehabilitation, and New Units.
Funding Goal	In FY24, MI Neighborhood will provide up to \$60 million to fund projects statewide across all activities. Regional investment targets have been developed using an equitable, transparent, data driven strategy. Regions are based on the 15 regional housing partnerships identified in the Statewide Housing Plan .
Size of Awards	<p>Beginner (i.e., 0-2 grants or developer units implemented by applicant): Up to \$200,000</p> <p>Intermediate (i.e., 3-4 grants or developer units implemented by applicant): Up to \$400,000</p> <p>Advanced: (i.e., 5+ grants or developer units implemented by applicant): Up to \$2 Million</p> <p>Plus up to 18% Administration funds based on documented expenditures or up to 18% developer fee or a combination of both, up to 18% total. Administration funds/Developer fee will be calculated and determined by MSHDA.</p> <p>Requests over \$400,000 require 1:1 leverage. Source of leverage subject to MSHDA approval.</p>
Eligible Applicants	<p>Must be an entity; individuals are ineligible. Eligible applicants include:</p> <p>Nonprofit Organization 501(c): A nonprofit organization that is currently servicing the proposed community/neighborhood within the state of Michigan. A public or private nonprofit organization must be organized to aid persons and families of low or moderate income. The applicant must have at least one full-time employee, cannot operate the agency via their principal residence, and must provide a projected sustainable operating budget through fiscal year 2026, not including MSHDA funded projects.</p> <p>Unit of General Local Government: A city, village, township, county, or any intergovernmental, metropolitan, or local department, agency, or authority, or other local political subdivision.</p>

	<p>For-Profit Developer: An organization that is working within the state of Michigan and meets the MSHDA Limited Dividend Housing Association (LDHA) parameters. Note: For-Profit Developers are ineligible to apply for the Public Amenity activity.</p>
Program Duration	The period of performance for all awards will begin on the effective date of the grant agreement, with full disbursement of funds no later than 24 months thereafter.
Program Launch	MSHDA will launch the program on April 1, 2024.

PUBLIC AMENITY GRANT OUTLINE	<p>Public amenities are intended to provide public benefit to health, safety, or overall quality of life within a community. The primary goal of this component is to identify and fund innovative activities to address community or neighborhood needs. All components are designed to fund tangible activities that are implementation ready, highly visible, impactful to the neighborhood and residents quality of life, and will benefit the community/region overall.</p>
Target Communities	<p>Activities must be located within a downtown or downtown adjacent area.</p> <p>A "Downtown area" is an area where 20 or more contiguous properties have been planned, zoned, or used for commercial purposes for 50 or more years and where a majority of the buildings are built adjacent to each other as determined by the authority and up to the public right-of-way. To be considered a downtown area, the area must contain a significant number of multilevel, mixed-use buildings and property in the downtown area must be owned by more than three private owners.</p> <p>An "Adjacent neighborhood" is a residential area as determined by the authority immediately adjoining or near a downtown area within the same municipality not to exceed one mile.</p>
Size of Award	<p>Up to 10% of a regional investment target, or \$75,000, whichever is greater, may be used for community-based public amenities. The maximum grant amount is \$75,000; multiple activities in a single application may be funded up to the maximum.</p>
Payment Process	<p>MSHDA disburses assistance directly to grantees on a reimbursement basis. Upon request, an advance of 25% of the project funds (not administrative funds) is allowed provided funds are expended within 180 days.</p> <p>Reimbursement for purposes of the program is defined as the issuance of payment via the MSHDA grant management system when work has been completed, a grantee is invoiced for the work performed, both grantee and property owner sign-off has been secured; and approval of a financial status report (FSR). Administration dollars must include documentation to be funded.</p> <p>Ten (10%) percent of the grant award amount may be withheld and not reimbursed until all paperwork regarding final completion and reporting of activity outcomes is provided.</p>

<p>Eligible Activity Types</p>	<p>Eligible activities include, but are not limited to, playground structures / amenities, walking path, mural, pocket park, pavilion, permanent benches, entranceway signage/lighting, orchards/perennials, dog park, community spaces / raised garden beds, gazebo, and picnic tables.</p> <p>Improvements must benefit the entire neighborhood and be located on publicly owned property. Must either be owned by the applicant or have consent from owner with guidance from MSHDA (refer to Public Amenity Site Ownership Guidance). Park enhancements must either be permanently affixed or stored in a secure location on site when not in use.</p> <p>This program encourages enhancements and/or creation of public amenities that promote outdoor activities and events.</p>
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REHABILITATION GRANT OUTLINE	<p>The intent of the Rehabilitation activity is to preserve existing housing stock. Successful proposals will target resources to the needs of the specific community and demonstrate the appropriate size and scope of the activity. Activities in this component range from smaller scale energy efficiency or accessibility improvements to substantial rehabilitation.</p>
Target Population(s)	<p>Activities in this category may be used for households with incomes up to 120% AMI. Applicants must identify their target population(s) based on an assessment of need.</p> <p>Low Income = <60% AMI: at least 20% of the units in every project must serve this AMI. Moderate Income = <80% AMI Middle Income = <120% AMI</p>
Target Communities	<p>Activities are intended to impact a neighborhood and/or provide a regional benefit. Data that demonstrates the target community's need for housing rehabilitation will be considered during the evaluation of applications. Communities with a high percentage of housing built before 1970 and high rates of families that are housing cost burdened will be given preference.</p>
Maximum Subsidy per Unit	<p>The maximum subsidy per unit is established by the grantee but may not exceed \$40,000 for occupied units and may not exceed \$100,000 for unoccupied units.</p> <p>A five-year non-prorated, forgivable lien in the full amount of the assistance will be placed on properties that receive over \$10,000.</p>
Payment Process	<p>MSHDA disburses assistance directly to grantees on a reimbursement basis. Upon request, MSHDA allows an advance of 25% of the project funds (not administrative funds) is allowed provided funds are expended within 180 days.</p> <p>Reimbursement for purposes of the program is defined as the issuance of payment via the MSHDA grant management system when work has been completed, a grantee is invoiced for the work performed, both grantee and property owner sign-off has been secured; and approval of a financial status report (FSR). Payment for the provided improvements must comply with the requirements outlined in the Michigan Construction Lien Act.</p> <p>Ten percent (10%) of the grant award amount will be withheld and not reimbursed until the final FSR submission and all paperwork regarding final completion and reporting of activity outcomes is provided.</p>

<p>Eligible Activity Types</p>	<p>Applicants must choose one or more focus for their occupied or unoccupied rehabilitation programs from among the following:</p> <ul style="list-style-type: none"> A. Energy Efficiency: An activity that prioritizes increased energy efficiency and reduces utility cost. B. Accessibility Improvements: An activity that prioritizes accessibility improvements to reduce barriers for occupants. C. Minor Home Repair: An activity that prioritizes addressing minor health and safety issues for occupants. D. Exterior Rehabilitation: An activity that prioritizes neighborhood impact by providing resources to property owners to address deteriorated exterior housing elements. E. Substantial Rehabilitation: An activity designed to provide comprehensive rehabilitation of a property. F. Rental Redevelopment: An activity designed to redevelop existing vacant residential rental units in mixed use structures. Units must have been vacant as of December 31, 2023.
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NEW UNIT GRANT OUTLINE	<p>MSHDA’s intent with new unit funding is to help communities that are actively working to address housing shortages. When appropriate, grantees are encouraged to use modular, panelized, and other innovative building systems to lower costs while maintaining quality.</p>
Target Population(s)	<p>Activities in this category may be used to serve households with incomes up to 120% AMI. Applicants must identify their target population(s) based on an assessment of need.</p> <p>Low Income = <60% AMI: at least 20% of the units in every project must serve this AMI. Moderate Income = <80% AMI Middle Income = <120% AMI</p>
Target Communities	<p>MSHDA will partner with eligible applications in communities that are experiencing a housing shortage and/or need.</p> <p>Data that demonstrates the target community's need for new housing construction will be considered during the evaluation of applications.</p>
Maximum Subsidy per Unit	<p>The maximum subsidy per unit is established by the grantee but may not exceed \$100,000 and is restricted to unoccupied units. The average subsidy per unit within each project is up to \$100,000 with flexibility per unit based on demonstrated and documented need per a MSHDA approved proforma. Each grantee will identify and secure a site, select product, oversee delivery and on-site installation (if applicable), as well as market and sell the home (if applicable).</p> <p>A lien restriction in the format of a recorded lien or regulatory agreement will be imposed on all assisted units for a minimum timeframe of five years to ensure affordability of the assisted unit(s).</p>
Payment Process	<p>All draws require the approval of a financial status report (FSR).</p> <p>Draw 1: Initial \$9,000 released upon request.</p> <p>Subsequent Draw(s): Repeated until the final draw: Funds are disbursed on a reimbursement basis only. Reimbursement for purposes of the program is defined as the issuance of payment via the MSHDA grant management system when work has been completed, a grantee is invoiced for the work performed, both grantee and property owner sign-off has been secured, and approval of a financial status report. Payment for the provided improvements must comply with the requirements outlined in the Michigan Construction Lien Act.</p> <p>Upon request, 50% deposits are available upon invoicing/contract submission.</p>

	<p>Final Draw: 10% of the grant award amount may be withheld and not reimbursed until all paperwork regarding final completion and reporting of activity outcomes is provided.</p>
<p>Eligible Activity Types</p>	<p>At least of 20% of the units in the project must be targeted to residents at 60% AMI or below.</p> <ul style="list-style-type: none"> A. The construction of single family for-sale and/or rental housing. B. Redevelopment of new unit(s) on a vacant residential parcel that was the site of a demolition within the past 12 months for resale to an income eligible household as their permanent primary residence. C. Acquisition and redevelopment of a vacant residential single-family structure for resale to an income eligible household as their permanent primary residence.

NEXT STEPS	
<p>Once I apply, what is next?</p>	<p>MSHDA will review fully completed applications and notify applicants of determination by email within 30 days of submission date with an executed grant agreement anticipated within 90 days. All submissions will be evaluated based on the following criteria: eligibility, timing, consistency with one or more priorities within the corresponding regional action plans, feasibility, potential selected component(s), need/impact on the proposed area(s), geographical distribution, targeted activity, and population to be served, and agency capacity. A conference call, formal presentation of proposal, and/or site visit may be required as part of the deliberation process for final awards. Funding reservation amounts are determined by MSHDA staff at our discretion and are contingent on available funds, responses received, and scoring outcomes.</p>